



Citizen Watch And SDI Consulting: A Distribution Case Study That's Ahead Of Its Time.

Our Challenges.

Citizen needed to reduce their order processing time to maintain their competitive edge while responding to ever increasing vendor compliance requirements. They also needed to accommodate a diverse customer base from "mom and pop" to the largest retail chains in the country, each requiring the product with different configurations, labeling, and packaging.

Simply put, figure out how to increase capacity, accuracy, service, and timeliness while lowering fulfillment cost and time to market. Sound familiar?

From Years Of Doing, We Quickly And Confidently Knew.

When we toured their distribution center, we observed a paper based batch order process, manual ticketing and labeling, sequential processing that required the entire order to be prepared before moving to the next step, and dedicated inventory that had to be reworked when orders were changed by the customers. We knew there was a better way.

Must Be Our Experience In Retail Distribution Solutions.

That's easy to say, but it takes a clever eye and expert thinking to assess the opportunity, determine the improvements that can be made, and the corresponding benefits and ROI.

Top-Line, Here's What We Saw:

- Labor intensive ticketing and kitting process with the order fulfillment process slowed by the slowest operator and highest volume model.
- Complex sales kits that varied by account and watch model.
- Paper based orders and index card inventory location.
- No real-time on-line inventory management made responding to changing requirements difficult.
- No real-time information on order status once orders were released to the floor for kitting and fulfillment.
- Multiple picking locations for the same watch based upon customer and packaging requirements.
- Shifting demand and back orders made production in advance of requirement impractical.

Our Solutions – Here Are The High Points.

- Reconfigure inventory to increase product security, reduce picking time, and reduce management of open-stock product.
- Change from paper based batch processing to fluid wave processing using RF scanning.
- Increase efficiency by automatically combining orders with the same product configuration.
- Reduce labor input through labor saving automatic ticket generation and application.
- Increase efficiency by automatically delivering totes containing all materials required for assembly to the next available operator.
- Eliminate packing rework by automatically cartonizing orders to cartons before order fulfillment.
- Replaced labor intensive picking process with sophisticated automatic sortation system.

Results.

- Eliminate Saturdays and overtime to meet peak demand.
- Reduced labor content by 1/3, or nearly 66,000 paid hours per year.
- Reduce order fulfillment cycle by one half to one day, significantly increasing the percentage of orders shipped the same day.
- Improved accuracy and reduced charge backs due to picking errors.
- Easily accommodated value-added requirements for Citizen's retail accounts.

We Did, And Our Client Knows.

"Together we have designed a system that performs VAS very efficiently." John Forbes, Sr.VP Operations & Administration, Citizen Watch Company of America.

Expert Thinking At SDI Consulting.

We're the best group of experienced, strategic, logistical, customer-focused materials handling expert thinkers on the planet. Our consultants have over 125 years of collective industry solutions in the retail distribution environment. For more information on Citizen Watch contact: Patrick Eidemiller; peidemiller@sdiconsults.com. Or, Mary Adams; madams@sdiconsults.com.

